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INFO RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS PRIORITY RUEHDS/AMEMBASSY ADDIS ABABA PRIORITY 0021

C O N F I D E N T I A L SECTION 01 OF 03 SANTO DOMINGO 000964

SIPDIS

E.O. 12958: DECL: 08/25/2019
TAGS: PREL ODIP PGOV ECON DR
SUBJECT: PRESIDENT FERNANDEZ SEEKS BILAT WITH POTUS,
REVIEWS BILATERAL AGENDA, PULLS FONMIN FROM OAS HONDURAS
MISSION, AND IS ABOUT TO JET OFF TO LIBYA

RUMISTA/CDR USSOUTHCOM MIAMI FL PRIORITY

REF: A. SANTO DOMINGO 946

1B. SANTO DOMINGO 924

Classified By: EconPol Counselor Alexander Margulies. Reason: 1.5(b/d).

SUMMARY

11. (C) President Leonel Fernandez, in an 8/24 meeting with Charge, DCM and EconPol Counselor:

- -- Requested a bilateral with POTUS on the margins of the UNGA or in Washington;
- -- Indicated that he favors people with experience in the community they will be serving to occupy consular positions;
- -- Foresaw no major reforms, opining that the GoDR just needs short-term financial assistance to serve as a "breather" in order to successfully weather the international financial crisis;
- -- Expressed optimism that the naming of a new anti-narcotics director would improve performance;
- -- Sought increased cultural exchanges and a meeting with Peace Corps volunteers;
- -- Strongly supported resolution of the Honduran political crisis on the basis of the San Jose Accord; and
- -- Gave advance notice of a trip to Libya this weekend to address the African Union.

Charge and DCM said that we will assist on the request for a bilateral with POTUS, advised on upcoming narcotics cooperation, offered to set up a meeting for next week with visiting Peace Corps Director Williams, agreed to pursue the President's cultural exchange proposals, and concurred with the need to promote a resolution to the Honduran problem pursuant to the San Jose Accord. END SUMMARY.

A BILATERAL WITH POTUS?

12. (C) Charge inquired whether the President will be attending the UN General Assembly in New York, and, if so, explained the need to request any desired bilats with POTUS and/or The Secretary sooner rather than later. Fernandez said that he will be attending the UNGA, as he does every year, and would like a purely bilateral meeting with POTUS there. Alternatively, he said that he could meet POTUS at the White House following the UNGA, as he has received an

invitation to speak at George Washington University then and would accept the latter invitation if a meeting with the President could be arranged. If not, he lamented, domestic political concerns would prevent him from accepting the GWU invitation, as a trip to Washington without a meeting with POTUS (either there or in New York) would be played against him by the local media. (COMMENT: Post is coordinating this request with the Foreign Ministry and WHA/CAR. END COMMENT.)

"CONSULS SHOULD BE FROM THE COMMUNITIES THEY SERVE"

¶3. (C) The President was pleased that the appointment of Rafael Evans as the DR's new Consul General in New York was on track, with Evans scheduled to arrive in country later this week to formally renounce his Legal Permanent Resident status. Nonetheless, he expressed concern that Evans might have difficulty regaining LPR status once his term as CG is over. Charge replied that it was our understanding that Evans' children were Amcits, and thus could petition for his residency once his consular assignment terminated although other LPRs choosing to give up their LPR status to take a diplomatic position in the U.S. might not be eligible to re-apply for permanent residency. Fernandez declared that he believes, "Consuls should be from the communities they serve," and suggested that the USG institute some type of "waiver program" for LPRs who renounce their status when they accept a consular appointment from a foreign government, so as to enable them to immediately regain their status as U.S. residents once their diplomatic tour ends.

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NO MAJOR REFORMS; GODR JUST NEEDS BREATHING ROOM

¶4. (C) Fernandez gave an upbeat assessment of the DR's political and economic prospects, describing his country as pacific and democratic with a "dynamic" private sector. The international financial crisis has affected the DR, he acknowledged, with revenue shortfalls creating fiscal problems and creating the need for assistance in addressing the balance of payments and budgetary needs. Consequently, he is sending a mission to Washington to meet with the International Monetary Fund (IMF), the Inter-American Development Bank and the World Bank, with the objective of negotiating an accord with the IMF that would release loan disbursements from the other institutions (Septel) and "create greater certainty" for the Dominican economy. The President averred that the DR remains on the right track, and that it just needs a "breather" ("respiro") to weather the current economic storm.

NARCOTRAFFICKING AND CORRUPTION

15. (C) Narcotrafficking and corruption were cited by Fernandez as major problems he remains determined to deal with. He noted that he recently replaced the military general who headed the Directorate for Combating Narcotics (DNCD) with a police general (Ref B), which should improve cooperation between the DNCD and the National Police in disrupting the "20,000" sites where narcotics are sold in the country. He also requested increased U.S. CN support, adding that the DR was in the process of acquiring a radar system to track narcoflights. Charge replied that we are working with the Commander of the Armed Forces on refurbishing the military's helicopters and will have an official in country in September to work on concluding an agreement for the program. With respect to corruption, the President stated that his government is working with the World Bank to increase transparency and voiced interest in participating in

CULTURAL EXCHANGES A PRIORITY

- 16. (C) Fernandez expressed great enthusiasm for increasing cultural exchanges. He was particularly proud of the GoDR's foreign scholarship program, which this year is sending 1,200 Dominican students to universities abroad (120 to the U.S.). He hopes to increase this to 5,000 soon and to 10,000 annually by the end of his term. With respect to the cultural cooperation with the U.S., he asked for assistance in promoting library programs, the development of an cinematography industry (PAS sponsored a program last year from UCLA's cinematography department), youth orchestras and developing the National Defense Law. The President also praised the Peace Corps, requesting details on its operations and expressing the desire to meet with the volunteers.
- 17. (C) Charge said that Peace Corps Director Aaron Williams will be visiting the DR next week and offered to set up a meeting with the President, who said he would be out of the country (see below) but that the Vice President could meet with him. DCM said that we would follow up on opportunities for cultural exchanges and the request for assistance on the National Defense Law.

HONDURAS: ZELAYA MUST BE RESTORED

18. (C) The Honduran political crisis remains a significant concern for the hemisphere, Fernandez declared, and can only be resolved with President Manuel (Mel) Zelaya's return to office pursuant to the San Jose Accord, with immunity for all parties and national elections with neither Zelaya nor Congress President Micheletti as candidates. He said that certain sectors in the U.S. focused too much on the support Zelaya was receiving from Venezuela's Chavez and Cuba's Castro, emphasizing that democratic leaders in the hemisphere such as Mexico's Calderon and Brazil's Lula also are insisting on this. The President opined that the OAS should utilize Cardinal Rodriguez, who he termed the most respected figure in Honduras, to bring the two sides to agreement. Time is running out, he warned, with some countries, such as Spain, taking the position that they will not recognize the results of any election held without a prior return to

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constitutional norms. Charge and DCM agreed on the importance of resolving the Honduran situation.

LIBYA BECKONS

19. (C) Despite his interest in resolving the Honduras problem, the President said that he pulled Foreign Minister Carlos Morales Troncoso from the OAS Mission there at the last minute to deal with an emergency. Fernandez then intimated that this emergency was his (thus far publicly unannounced) trip to Libya from 8/28-9/3, where he said he will speak to the African Union as the representative of Latin America and the Caribbean on the subject of the importance of the transition to democracy.

COMMENT

¶10. (C) The meeting, which we requested as a farewell call by Charge and a courtesy call by the new DCM, provided the President with the opportunity to review his priorities on the bilateral and international agenda. Fernandez' satisfaction with the domestic situation echoes his actions

of the past week, in which minimal changes were made in his administration. The significant moves that were made: the naming of a new head of the State electricity company CDEEE, reversal of the GoDR's policy not to seek an IMF agreement, and the appointment of a senior police officer to head the DNCD, reflect his concerns regarding the immediate economic situation and the growth of drug trafficking, drug use and drug-related violence here. END COMMENT.